

April 24, 1997

Mr. Jorge DeGuzman
Air Pollution Control Engineer
Sacramento Metropolitan Air Quality Management District
8411 Jackson Road
Sacramento, CA 95826

Re: Proposed Title V Operating Permit for Chevron Products Company
(Sacramento Terminal)

Dear Mr. DeGuzman:

We appreciate the opportunity to review the Title V Operating Permit for Chevron Products Company. In accordance with 40 CFR §70.8(c), and the Sacramento Metropolitan Air Quality management District (District) Rule 207, the EPA has reviewed the proposed permit during our 45-day review period.

In general, the proposed permit establishes enforceable conditions with adequate monitoring, record keeping and reporting requirements. However, as my staff discussed with you on April 1 and 15, 1997, there are several issues that require changes to the proposed permit. These issues are:

Title V permit fee -- Although, the District does not issue any permits without the fee payment, the Title V permit must have a requirement for fee payment in accordance with the District Rule 207, Section 305.7 and 40 CFR §70.6(a)(7). We suggest that you add this requirement to the General Requirements.

Exemption for insignificant emissions -- The proposed permit refers to the District Rule 201, Section 117.3, to exempt several tanks (Tanks 116-121, and Tank 124) from permitting. Please note that at the present time, the District may treat certain storage and transfer units as insignificant activities as provided in the District's Interim Title V program Approval. However, all applicable requirements for these tanks must be included in the Title V permit. Further, we draw your attention to the capacity of the above mentioned tanks. The capacities of these tanks are greater than 6,076 gallons maximum capacity specified for exemption under the referenced rule. Therefore, the referenced exemption does not even apply to these tanks.

We are also including some corrections and suggestions listed in the enclosure to improve the clarity of your permit. The District may issue the permit if our above concerns are addressed and resolved. Please note that if the permit is later found to require corrective steps (including, but not limited to, reopening the permit for cause) the expiration of both the EPA's review period and the public petition period does not compromise the Agency's authority to take such measures. The terms contained in this permit are specific to the facility and do not create conditions for the use, operation, or reliance of any other party.

If you have any questions concerning this matter, please call Nahid Zoueshtiagh of my staff at (415) 744-1261.

Sincerely,

Matt Haber
Chief, Permits Office
Air Division

enclosure

cc: Ray Menebroker, CARB
Kenneth Smith, Chevron Products Company

ENCLOSURE

EPA Comments on the Proposed Title V Operating Permit for Chevron Products Company (Sacramento Terminal)

Record Keeping Period -- all records must be kept for five years. For instances that a shorter period is stated (e.g., two years under Condition 7 for the Loading Rack), please correct the requirements to a five-year period.

Clarification -- reference to the relevant rule immediately after the first paragraph listed in numerous parts under monitoring (e.g., Condition 6 for Tanks 111, 112, 113, Condition 4 for Tank 115, Condition 13 for Tank 123, Condition 6 for Loading Rack, Condition 8 for APC Truck Loading) will more clearly state the authority. As presently stated (e.g., Rule 446, Section 502, referenced under Condition 6.D for Tanks 111-113), it is not obvious if the cited rule is relevant to the last item or all listed items.

Correction -- change the reference to “condition 3” under Condition 11 (second sentence) for the APC Truck Loading to “Condition 6”.

APCO -- Condition 40 of the General Requirements refers to the “chairperson”. You may want to change this to APCO or his/her designated person to have consistency within the permit.

Submittal of annual certification -- Please add a statement to Condition 18 under the General Requirements that EPA’s copy of the annual certification be sent to: Air-3 at EPA Region 9.

Section 112(r) Requirements -- The permit evaluation must also determine whether requirements of section 112(r) of the CAAA apply to the source. We understand that presently the requirement does not apply to this facility. However, you may want to have a flexibility to preclude a permit re-opening by including a requirement such as:

“Should the facility, as defined in 40 CFR §68.3, become subject to Part 68, the permittee shall submit a risk management plan (RMP) by the date specified in 40 CFR §68.10, and shall certify compliance with the requirements of Part 68 as part of the annual compliance certification as required by 40 CFR 70.”

Also for cases when the owner or operator knows that the facility is subject to 40 CFR §68.215 the following language can be added:

“This facility is subject to 40 CFR part 68. The facility shall submit a risk management plan (RMP) by June 21, 1999, or other dates specified in 40 CFR §68.10. The facility shall certify compliance with these requirements as part of the annual compliance

certification as required by 40 CFR part 70.”

Citation for exemption -- The permit evaluation provides the basis for exempting Tank 125. However, the permit requirements for this tank do not include the regulatory citation. Please add this citation to improve implementation of the permit.

Non-federally enforceable conditions -- The proposed permit list two conditions as non-federally enforceable conditions in numerous sections (e.g., Conditions 1 and 2 listed for Tanks 111, 112, 113, 123, 125, Loading Truck, APC Truck Loading, Soil Vapor Extraction System, and VOC Stripping Process). We believe that Condition 1 is too vague, and Condition 2 is a key requirement of any good operation and should be part of the General Requirements.